

0038



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

David T. Terry
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)
<http://www.trustlands.com>

*Copy
Muddy
Tract*

July 18, 2001

Mr. Wm. Scott Stewart
Vice President-Exploration
Ark Land Company
CityPlace One, Suite 300
St. Louis, MO 63141

RE: ML 48767 Right of Mineral Entry
DOGM ACT/041/002/EX99F, #2

Dear Mr. Stewart,

Enclosed herewith please find one fully executed copy of the Letter of Agreement between Ark Land Company and the School and Institutional Trust Lands Administration for the drilling of up to three coal exploration boreholes on the Muddy Tract in Sevier County, Utah.

The agreement is numbered ML 48767 on the records of the Trust Lands Administration. The Director has accepted Surety Bond #SB0072374 for down-hole reclamation of the boreholes. One of the boreholes may be left open for an undetermined period of time for the gathering of hydrological data, but must be satisfactorily plugged upon request by the Trust Lands Administration and prior to bond release.

I look forward to receiving a copy of the drilling results. Thank you for your interest in developing state coal lands.

Sincerely,

John T. Blake
Mineral Resources Specialist

CC: Pam Grubaugh-Littig
Aaron Howe

at 1/15
~~_____~~
~~_____~~
EX 99F